

Bill Will Cut Taxes for Businesses that Hire Unemployed Workers

Washington, DC – Today, Congressman Bruce Braley (IA-01) introduced a bill to cut payroll taxes for businesses that hire unemployed workers. The Back to Work Extension Act extends a provision of the HIRE Act that provides employers a payroll tax break if they hire workers who were previously unemployed.

“Creating jobs is my top priority and this program is already proven to put Iowans back to work,” said Braley. “Between February and December of 2010, Iowa businesses hired more than 104,000 workers who are eligible for this tax cut. This tax credit works – and we must extend it now to give employers incentives to create jobs and hire unemployed workers.”

The Back to Work Extension Act will exempt small businesses from paying the employer’s share of the Social Security tax for up to one year through December 31, 2011 – if they hire workers who have been unemployed for more than 60 days prior to employment. Employers who keep eligible employees on the payroll for 52 consecutive weeks will receive an additional \$1,000 tax credit. The previous exemption expired on December 31, 2010.